REMARKS

Claims 1-63 are currently pending in this application. By this amendment, Applicants amend claims 1, 7, 8, 28, 34, 38, 43, 44, 46, 49, 51, and 55.

In the Final Office Action, the Examiner (1) rejects claims 1-21 and 43-63 under 35 U.S.C. § 101 as being related to non-statutory subject matter; and (2) rejects claims 1-63 under 35 U.S.C. § 102(e) as being anticipated by Patent Application Publication No. US 2002/0010686 ("*Whitesage*").

Applicants wish to thank Examiner Gart for allowing Applicants' representatives to discuss the pending claims during an interview on November 4, 2004. In particular, Applicants' representatives discussed the outstanding rejections under 35 U.S.C. §101 and §102(e). As to the rejection under § 101, the Examiner suggested amending claim 1 to recite "using a computer to identify," and amending claim 43 to recite "computer means to identify." The Examiner also discussed the entry of such amendments.

In light of the above amendments and based on the following remarks, Applicants submit that the rejection of claims 1-63 under 35 U.S.C. §§ 101 and/or 102(e) should be withdrawn.

I. Rejection Under 35 U.S.C. § 101

Claims 1-21 and 43-63 are rejected under 35 U.S.C. § 101 as allegedly being related to non-statutory subject matter. By this amendment, Applicants propose

amending claims 1, 7, 8, 28, 34, 38, 43, 44, 46, 49, 51, and 55.[1] Applicants traverse this rejection because proposed claims 1-21 and 43-63 produce a useful, concrete, and tangible result, and are therefore directed to statutory subject matter.

In the rejection, the Examiner alleges that the recitations of claims 1-21 and 43-63 "fail to recite any technology within the claims" and "are not within the 'technological art,' because the claimed invention is not an operation being performed by a computer." (OA at 5.) Applicants respectfully disagree for the following reasons.

First, the rejection of dependent claims 2-21 and 44-63, based solely upon the recitations of independent claims 1 and 43, is wholly improper:

> [W]hen evaluating the scope of a claim, *every* limitation in the claim must be considered. Office personnel may not dissect a claimed invention into discrete elements and then evaluate the elements in *isolation*. Instead, the claim as a whole must be considered.

M.P.E.P. § 2106(II)(C) (8th ed., rev. 1, Feb. 2003) (emphasis added) (citing *Diamond v. Diehr*, 450 U.S. 175, 188-89, 209 USPQ 1, 9 (1981)). Here, the Examiner has not considered the limitations of dependent claims 2-21 and 44-63. Because the rejection of dependent claims 2-21 and 44-63 is not based upon a consideration of these claims as a whole (i.e., the limitations of the independent claims and the dependent claims), the Examiner has failed to set forth a *prima facie* case that these claims are non-statutory. Accordingly, Applicants respectfully request that the Examiner either indicate why each of dependent claims 2-21 and 44-63 are allegedly non-statutory or withdraw the rejection as to these claims.

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1 Claims 7, 8, 28, 34, 38, 44, 46, 49, 51, and 55 have been amended to correct minor grammatical errors

Second, the Examiner's assertion that certain recitations of independent claims 1 and 43 are "not within the technological art because the claimed invention is not an operation being performed by a computer within a computer" is not a proper indication that the claims are non-statutory. In fact, a process may be statutory even where "some or all of the steps can . . . be carried out in . . . the human mind." *In re Musgrave*, 167 USPQ 280, 289 (CCPA 1970).

According to the Federal Circuit, if a claim includes recitations that produce "a concrete, tangible and useful result," the claim is not abstract and has practical utility. *See State St. Bank & Trust Co. v. Signature Fin. Group, Inc.*, 149 F.3d 1368, 1373 (Fed. Cir. 1998); *AT&T Corp. v. Excel Communications, Inc.*, 172 F.3d 1352, 1358 (Fed. Cir. 1999). And, if the claim is not abstract and has practical utility, it is statutory under 35 U.S.C. § 101. *Id.; see also,* M.P.E.P. § 2106(IV)(B)(2)(b)(ii) (8th ed., rev. 1, Feb. 2003) ("A claim is limited to a practical application [i.e., is directed to statutory subject matter] when the method, as claimed, produces a concrete, tangible and useful result; i.e., the method recites a step or act of producing something that is concrete, tangible, and useful."). Consequently, if claims 1-21 and 43-63 produce a useful, concrete, and tangible result, then this in and of itself establishes them as being drawn to statutory subject matter.

Under the proper standard, it is clear that independent claims 1 and 43 produce a useful, concrete, and tangible result, and are therefore drawn to statutory subject matter. For example, identifying a product related to a purchase transaction is a useful,

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and typos.

non-abstract result that facilitates modifying the received purchasing data to include data representing the identified product, as well as managing the purchasing data.

Third, although Applicants believe claims 1 and 43 were drawn to statutory subject matter in their previous form, Applicants have amended these claims in order to advance the prosecution of this application. For example, claim 1 is amended herein to recite "using a computer to identify, for each transaction, a product related to the transaction by comparing the received purchasing data with product information stored in a product index." Claim 43 is amended to recite "computer means for identifying, for each transaction, a product related to the transaction by comparing the received purchasing data with product information stored in a product index." As amended, claims 1 and 43 recite the use of a computer to manipulate data so as to produce a useful, concrete, and tangible result.

For at least these reasons, claims 1 and 43 are statutory under 35 U.S.C. § 101. Moreover, claims 2-21 and 44-63 depend from a statutory claim, and also produce a useful result. Thus, claims 2-21 and 44-63 are likewise statutory. Accordingly, Applicants respectfully request that the rejection of claims 1-21 and 43-63 under 35 U.S.C. § 101 be withdrawn.

Finally, Applicants' representatives discussed the §101 rejection and the proposed amendments at length with the Examiner and, from these discussions, believe the claims are patentable. Should the Examiner have any further questions about the patentability of these claims under 35 U.S.C. § 101, the Examiner is asked to telephone Applicants' representatives to resolve any outstanding issues.

II. Rejection Under 35 U.S.C. § 102(e)

Applicants respectfully traverse the rejection of claims 1-63 under 35 U.S.C. § 102(e) as anticipated by *Whitesage.*

Independent claim 1, as amended, recites:

> . . .
> receiving purchasing data from a purchasing entity . . . wherein the received purchasing data does not include data identifying each product corresponding to each transaction;
> using a computer to identify, for each transaction, a product related to the transaction by comparing the received purchasing data with product information stored in a product index, wherein the product information in the index associates at least a portion of the received purchasing data with a particular product;
> modifying the received purchasing data to include data representing the identified product;
> . . .

Independent claims 22 and 43 include similar recitations.

The Examiner refers to Figure 9 and accompanying text of *Whitesage* for an alleged teaching of the above claim elements. (OA at 13-14.) Figure 9 of *Whitesage*, however, merely describes "a process of collecting current detailed transactions and marking certain of the detailed transactions with the appropriate or designated customer, contract, and term codes." *See* [0150]. Here, the system retrieves a detailed transaction row (representing an individualized transaction) from a Transaction Detail Database and compares or matches the retrieved transaction data with certain

customer criteria. *See Id.* If the customer criteria does match, the system then compares market, supplier, and product criteria for that customer criteria with the corresponding data from the detailed transaction row. *See Id.* If the customer criteria does not match, the system will then proceed to the next detailed transaction row. *See Id.*

Independent claims 1, 22, and 43 recite "receiving purchasing data from a purchasing entity . . . wherein the received purchasing data does not include data identifying each product corresponding to each transaction. . . [and] modifying the received purchasing data to include data representing the identified product." Nothing in *Whitesage* discloses or suggests this feature. Nor has the Examiner cited to anything in *Whitesage* that describes modifying received purchasing data to include product identification data that was not included in the data as it was received.

Indeed, as described above, *Whitesage* merely matches or correlates the received transactions with certain customer, market, supplier, and product criteria to determine which customer, contract, and term codes correspond to each transaction. *See* [0150]. In *Whitesage*, transactions that are loaded into the Transaction Detail Database **already include** product information. *See* [0129-0131]. The *Whitesage* system does not therefore modify the received transactions to include an identified product, but simply uses the already existing product criteria to match the transaction with, for example, a contract term. *See* [0150]. Accordingly, *Whitesage* entirely fails to disclose or suggest "receiving purchasing data from a purchasing entity . . . wherein the received purchasing data does not include data identifying each product corresponding

to each transaction. . . [and] modifying the received purchasing data to include data representing the identified product," as recited in claims 1, 22, and 43.

Furthermore, the conditional processing of *Whitesage*, also does not constitute "using a computer to identify, for each transaction, a product related to the transaction by comparing the received purchasing data with product information stored in a product index, wherein the product information in the index associates at least a portion of the received purchasing data with a particular product," for at least two reasons.

First, *Whitesage* simply determines which transactions match certain customer criteria before comparing the market, supplier, and product criteria with the transaction. *See Id.* If the system does not find a match for a particular transaction, it then goes to the next transaction without further processing the particular transaction. *See Id.* In other words, each transaction is not necessarily matched to a product. As a result, *Whitesage* does not disclose or suggest "using a computer to identify, for each transaction, a product related to the transaction by comparing the received purchasing data with product information stored in a product index."

Second, even if the *Whitesage* system did match each transaction with the customer criteria, the system does not "identify ... a product" for that transaction. In particular, *Whitesage* describes that the system must first compare the transaction with the market criteria, and, if there is a match, compare the transaction with the supplier criteria. *See Id.* Then, only if the suppler criteria matches, does the system compare the transaction with the product criteria associated with the contract term. *See* Fig. 9 and [0150]. This conditional process of determining whether a transaction row meets

market, supplier, and product criteria associated with a contract term does not, however, disclose or suggest "using a computer to identify, for each transaction, a product related to the transaction by comparing the received purchasing data with product information stored in a product index, wherein the product information in the index associates at least a portion of the received purchasing data with a particular product," as recited in claims 1, 22, and 43.

Since *Whitesage* does not disclose each and every element of claims 1, 22, and 43, the rejection under 35 U.S.C. §102(e) is not proper. For the foregoing reasons, Applicants submit that claims 1, 22, and 43 are allowable and respectfully request that the Examiner withdraw the rejection of claims 1, 22, and 43 under 35 U.S.C. § 102(e).

Finally, the Examiner states with respect to dependent claims 2-21, 23-42, and 44-63 that "Applicant's arguments fail to comply with 37 CRF 1.111(b) because they amount to a general allegation that the claims define a patentable invention without specifically pointing out how the language of the claims patentably distinguishes them from the references." (OA at 15.) Applicants respectfully disagree. Dependent claims 2-21, 23-42, and 44-63 are also allowable at least by virtue of their respective dependence from allowable base claims 1, 22, and 43.

Moreover, dependent claims 2-21, 23-42, and 44-63 further distinguish *Whitesage*. For example, claim 4 further requires "wherein the product index further includes a weight value for each association of a particular product to a portion of the received purchasing data, wherein each weight value defines a relative accuracy of the corresponding association . . . identifying the product related to the transaction based

on the weight values of the products determined from the index." Claims 25 and 46 recite similar limitations.

Again, as discussed at the interview with the Examiner, nothing in *Whitesage* discloses or suggests these claim elements. The examiner refers to paragraph 0048, Figures 2b, 2c and accompanying text for an alleged teaching of the above claim elements. Paragraph 0048, however, merely describes performance requirements that must be satisfied before a contract term is satisfied or fulfilled. Figures 2b and 2c simply describe a method of generating a purchasing contract. *See* [0068-0069]. The other cited portions of *Whitesage* describe how transaction data sets are examined and marked as applicable to a proposed contract. *Whitesage* further describes defining and testing contract terms as well as forecasting the performance of a term. *See Id.* The forecasting step generates performance values that are then compared to the appropriate term performance rules from a Term Rule Database. *See Id.* This description of how transaction data sets are examined and marked, contract terms are defined, tested, and forecasted, is not a disclosure of a "product index further include[ing] a weight value for each association of a particular product to a portion of the received purchasing data, wherein each weight value defines a relative accuracy of the corresponding association," much less "identifying the product related to the transaction based on the weight values of the products determined from the index," as recited in claims 4, 25, and 46.

In *Whitesage*, the step of comparing each transaction row with the term criteria is based solely on determining whether the transaction row meets the criteria for the

supplier, market, or product term. Moreover, nothing in the disclosure of *Whitesage* describes a "weight value," as recited in claims 4, 25, and 46. Therefore, *Whitesage* does not disclose or suggest "identify the product related to the transaction based on the weight values of the products determined from the index," as recited in claims 4, 25, and 46.

Claim 5 further recites "identifying the product related to the transaction by selecting the product having the highest weight value." Claims 26 and 47 recite similar limitations. Claims 6 further recites "updating the weight values based on an accuracy determination of the corresponding associations." Claims 27 and 48 recite similar limitation. As discussed above, *Whitesage* does not teach or disclose any "weight value," much less "selecting the product having the highest weight value," as recited in claims 5, 26, and 47, or "updating the weight values," as recited in claims 6, 27, and 48.

Claim 7 further recites "comparing the received purchasing data with product information stored in a plurality of product indexes, wherein each index associates different portions of the received purchasing data with products." Claims 28 and 49 recite similar limitations. By contrast, *Whitesage* compares the detailed transaction rows with the term criteria in a single Term Definition Database. *See* [0150]. The Term Definition Database of *Whitesage* is not the "plurality of product indexes, wherein each index associates different portions of the received purchasing data with products," as recited in claims 7, 28, and 49. Accordingly, *Whitesage* entirely fails to disclose or suggest "comparing the received purchasing data with product information stored in a

plurality of product indexes, wherein each index associates different portions of the received purchasing data with products," as recited in claims 7, 28 and 49.

Claims 17, 38 and 60 further recite "analyzing the modified purchasing data to summarize purchasing activity of the purchasing entity." Claims 21, 42, and 64 further recite "negotiating for purchases based on the processed modified purchasing data." *Whitesage* does not teach or suggest any "analyzing [of] the modified purchasing data to summarize purchasing activity of the purchasing entity," as recited in claims 17, 38 and 60. In fact, *Whitesage* fails to teach or suggest **any** negotiating, much less "negotiating for purchasing based on the processed modified purchasing data," as recited in claims 17, 38, and 60. Both of these claim limitations are completely missing in *Whitesage.*

Applicants submit that in addition to their dependency from independent base claims 1, 22, and 43, dependent claims 5-7, 17, 26-28, 38, 47-49 and 60 are allowable for at least the reasons stated above. Therefore, Applicants respectfully submit that the Examiner withdraw the rejection of claims 17, 21, 38, 42, 60 and 64 under 35 U.S.C. § 102(e).

SUMMARY AND CONCLUSION

Applicant respectfully requests that this Amendment under 37 C.F.R. § 1.116 be entered by the Examiner, placing claims 1-63 in condition for allowance. Applicants submit that the amendments of claims 1, 7, 28, 34, 38, 43, 44, 46, 49, 51, and 55 do not raise new issues or necessitate the undertaking of any additional search of the art by

the Examiner, since all of the elements and their relationships claimed were either earlier claimed or inherent in the claims as examined. Therefore, this Amendment should allow for immediate action by the Examiner. The entry of this Amendment would also place this application in better form for appeal, should the Examiner dispute the patentability of the pending claims. Should the Examiner disagree, the Examiner is asked to telephone Applicants' undersigned representatives.

In view of the foregoing remarks, Applicants submit that proposed claims 1-63 are patentable over the cited prior art. Applicants therefore request the entry of this Amendment, the Examiner's reconsideration and reexamination of the application, and the timely allowance of the pending claims.

Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 06-0916.

Respectfully submitted,

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Dated: November 12, 2004

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